

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NOTICE OF PURCHASED GAS)	
ADJUSTMENT FILING OF THE)	CASE NO. 2002-00284
UNION LIGHT, HEAT AND POWER)	
COMPANY)	

ORDER

On January 31, 2002, in Case No. 2001-00092, the Commission approved rates for The Union Light, Heat and Power Company (ULH&P) and provided for their further adjustment in accordance with ULH&P s gas cost adjustment (GCA) clause.

On July 26, 2002, ULH&P filed its GCA to be effective August 29, 2002.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. ULH&P s notice includes rates designed to pass on to its customers its expected change in wholesale gas costs.
2. ULH&P s expected gas cost (EGC) is \$4.144 per Mcf, which is a decrease of 55.1 cents per Mcf from the previous EGC of \$4.695.
3. ULH&P s notice sets out a current refund adjustment (RA) of .4 cent per Mcf. The total RA of 1 cent per Mcf represents a decrease of .4 cent per Mcf from the previous total RA.
4. ULH&P s notice sets out a current actual adjustment (AA) of (2.1) cents per Mcf. The total AA of (40.4) cents per Mcf is an increase of 50.5 cents per Mcf from the previous total AA.

5. ULH&P's notice sets out a current balancing adjustment (BA) of 13.8 cents per Mcf. The total BA of 18.7 cents per Mcf is an increase of 9.3 cents per Mcf from the previous total BA.

6. ULH&P's gas cost recovery rate (GCR) is \$3.917 per Mcf, which is 4.3 cents per Mcf more than its previous GCR of \$3.874.

7. The rates in the Appendix to this Order are fair, just, and reasonable, in the public interest, and should be approved for final meter readings by ULH&P on and after August 29, 2002.

IT IS THEREFORE ORDERED that:

1. The rates in the Appendix to this Order are approved for final meter readings on and after August 29, 2002.

2. Within 20 days from the date of this Order, ULH&P shall file with this Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 23rd day of August, 2002.

ATTEST:


Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2002-00284 DATED August 23, 2002

The following rates and charges are prescribed for the customers served by The Union Light, Heat and Power Company. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the date of this Order.

GAS SERVICE RATES

RATE RS
RESIDENTIAL SERVICE

	<u>Base Rate</u>		<u>Gas Cost Adjustment</u>	<u>Total Rate</u>
Commodity Charge for All Ccf Consumed	\$.2334	plus	\$.3917	\$.6251

RATE GS
GENERAL SERVICE

	<u>Base Rate</u>		<u>Gas Cost Adjustment</u>	<u>Total Rate</u>
Commodity Charge for All Ccf Consumed	\$.2049		\$.3917	\$.5966